GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2744
ANSWERED ON:19.12.2003
IMPORT OF RAW DIAMONDS FROM RUSSIA
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware of the fact that Valadivostock of Russia having enough potential of raw diamonds which can be imported and polished in India for value added exports;

(b) if so, whether any initiatives have been taken in this regard to consult Gem and Jewellery Export Promotion Council; and

(c) if so, the result therein?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI S. B. MOOKHERJEE)

(a) to (c) : Russia is one of the leading producers of rough diamonds in the world. About 80% of Russian output comes through their mines in Sakha Republic. A Protocol of intentions on the cooperation in the field of trade in rough natural diamonds and precious metals was signed in Oct. 2000 between Russia and India. MMTC Limited has been nominated as the nodal agency from Indian side for import of rough diamonds. A number of sightings have been held in Moscow by the combined delegation of the MMTC and the Gem & Jewellery Export Promotion council (GJEPC) for the purchase of rough diamonds from Gokhran, the Russian State Depository of the rough diamonds. Gokhran has, however, indicated that it has only limited quantities of rough diamonds available for exports and that too would be soon exhausted. It is learnt that ALROSA, Russia`s leading diamond producer, sells rough diamonds to individual companies through auctions. The Indian companies could participate in such auctions on individual basis and may try to work out a commercial deal with Alrosa on the basis of mutual benefit.

Some local diamond processing plants have been set up in Sakha and Valadivostok. These are local processing plants and get supply of rough diamonds from Alrosa and Gokhran.

MMTC has reported that a contract of 5037.59 carats of rough diamonds valued at US$ 591,916.83 has so far been concluded with Gokhran and the rough diamonds have since been received for processing in India.